



Allies Smash Forward on 24-Mile Front; British Count 10,000 Prisoners, 60 Guns; Bulgars in Full Flight in Cerna Valley

Brisbane's \$375,000 Deal With Brewers Exposed by Palmer

Cash to Buy "The Washington Times" Given by Round-About Route

Hearst Associates Figure in Payment Money Really a Gift to Editor, U. S. Officials Declare

A. Mitchell Palmer, Alien Property Custodian, yesterday made public a mass of documents showing that several German-American brewers advanced \$375,000 to Arthur Brisbane, Hearst's man, to purchase "The Washington Times".

The documents were made public simultaneously in Washington by Mr. Palmer and in this city by Francis P. Garvan, managing director of the New York office and the head of the investigation bureau of the Alien Property Custodian.

These documents consist of letters from Alexander Konta to two German spy-masters—Captain Hans Tauscher, the Krupp's representative, indicated for plotting to blow up the Well Canal with Captains von Pappen and von Ed. the German Military and Naval attachés, and Dr. Bernhard Dernburg, sent here to spread Hun propaganda by the German Foreign Office. Checks and notes covering the financial deal between Brisbane and the brewers, and letters which passed between the Alien Property Custodian and Senator William H. King, of Utah, are also included.

Subsidy of Newspapers

The letters of Mr. Konta, a broker, had to deal with the beginning of Germany's attempt to subsidize papers here.

The payment of the money to Brisbane was made through the Growing Circulation Corporation, two of whose directors are Hearst employees. The money was transferred from the pockets of the brewers to Brisbane in the same manner resorted to by the German Foreign Office in transferring money to Dr. Edward A. Rumely to purchase "The Evening Mail," in order that the source of the money would be tamouflaged.

The money came from a pool of brewers in New York, Chicago, St. Paul, Milwaukee, Philadelphia and Boston, many of them being sources of the money used by the German-American Alliance in spreading German propaganda.

After the money was received by C. W. Feigenspan, a Newark brewer, he deposited it in a special account. Then he drew cashier's checks on the Federal Trust Company, and in turn got a personal check, which he turned over to Arthur Brisbane. Brisbane gave the checks to the Growing Circulation Corporation, and it in turn transferred them to Mrs. Alice Brisbane Thursty, Brisbane's sister. Mrs. Thursty deposited the checks, but thereafter all trace of the checks was lost.

Names Carefully Concealed

As stated at the office of Mr. Garvan, who unearthed the transaction, the receipt of Brisbane given to Feigenspan is the only proof that the money ever reached Brisbane's hands.

At no time do the names of Arthur Brisbane or those of the contributors of the fund appear on the checks.

The Growing Circulation Corporation, which figures in the transaction, according to the letter of the Alien Property Custodian to Senator King, has but a capital of \$10,000. Two of its three directors, Mr. Palmer said, are William A. De Ford and John P. Sturdevant. The latter is counsel of the Hearst newspapers, and the former acts in a similar capacity, as well as personal counsel to William Randolph Hearst. Thomas E. McEntegart is the third director.

Trail of Brewers' Money

The government officials, under direction of Mr. Garvan, have been investigating this transaction since early in May. They first ran across the trail of German brewers' money to Brisbane when the Alien Property Custodian seized the Ehren estate. The finding of an unexplained entry of \$50,000 in the books led to the summoning of Feigenspan.

Brewers Who Put Up Money for Brisbane

THESE, according to a letter sent to Robert Crain, national counsel of the Brewers' Association, by C. W. Feigenspan, contributed the following amounts toward the fund with which Arthur Brisbane obtained control of "The Washington Times": George Ehret\$50,000 C. Feigenspan 25,000 Julius Liebmann 25,000 J. C. G. Hupfel 7,500 Jacob Ruppert 50,000 Joseph E. Uihlein 50,000 Edward Lansberg 15,000 Reuter & Co. 15,000 A. J. Houghton 10,000 William Hamm 10,000 G. Pabst 50,000 Fred Miller Brewing Co. 15,000 C. Schmidt & Sons 5,000 F. A. Poth & Sons 10,000 United States Brewers' Association 30,000 Berger & Engel 10,000 United States Brewers' Association advertising 25,000 Total\$407,500

Old Russian Assembly Aims To Oust 'Reds'

Body Still Meets Secretly, Kerensky Says; Wilson Policy Recommended

LONDON, Sept. 19.—Alexander F. Kerensky, former Russian Premier, told the Inter-Allied Labor Conference in session here to-day that the members of the old Constituent Assembly were meeting secretly in Russia and attempting to create a government for the whole of Russia.

The conference was engaged in a discussion of the resolution denouncing Allied intervention in Russia when Mr. Kerensky was invited to speak. He read his address, which was in French. Mr. Kerensky said he was not speaking as a partisan or a Socialist, but as a Russian making known public opinion in his country. He asserted that Russia had not left the alliance of the Entente, and said he offered once more his testimony that Russia never had recognized the peace of Brest-Litovsk and never had ceased to struggle against Germany.

The former Premier described Russia's sacrifices for the Allied cause. He declared that Russia at one time stood between Europe and collapse when Great Britain was preparing. The efforts of the Russian revolutionaries had allowed the United States time to get ready. The basis of the Allied victory had been watered in Russian blood. Russia had never yet found itself in a state of peace with Germany.

Intervention Was Requested

Mr. Kerensky said the Allies intervened in Russia in response to the call from organizations which represented the real interests of Russia, and which were opposed to the Bolshevik terror.

Mr. Kerensky declared that the Allies should give up every relation with private persons or organizations and act with the organized government in Siberia to end the whole trouble.

The conference unanimously adopted a report made by the International Relations Committee recommending that the conference "subscribe to the fourteen points formulated by President Wilson, thus adopting a policy of clearness and moderation, as opposed to a policy dictated exclusively by changes on the war map."

The committee report says the United States already has been able to reject the Austro-Hungarian proposal for a conference of the belligerents, and that the Allies should make clear the identity of their views by public and collective declarations of their aims and intentions.

Want Teutonic War Aims

The committee favors an expression of opinion by the conference that the Allies would be assuming a heavy and perilous responsibility by adopting a

Ten Arrested In U.S. Raid on War Factory

Federal Agents Get Lieutenant, Inspectors and Employes at Rosenwasser's

\$8,000,000 Supply Contract Involved

Paper Used for Leather, Other Specifications Disregarded, Accusers Say

Assistant Attorney General Huston Thompson last night continued his drive to eliminate the influence of contingent fee men and fraud in government contracts when he directed a raid by the Department of Justice on the plant of the Rosenwasser Brothers, Inc., in Long Island City, which resulted in ten arrests and the seizure of the books and files of the concern. The company has contracts amounting to more than \$8,000,000 with the War Department, and, according to statements issued last night by J. Brewer, assistant to Mr. Thompson, more than 90 per cent of the army equipment manufactured by the concern has been rejected because of disregard of the specifications.

The Long Island City concern has been the subject of various investigations by the War Department. All the evidence gathered, some of which showed the introduction of paper into army shoes instead of leather, has been turned over to the Department of Justice and will be used in the prosecution of the present cases.

Army Officer Arrested

Those taken in custody last night were Lieutenant Samuel Grass, of the Quartermaster's Department, recently transferred from a post as inspector at the Rosenwasser plant to Governor's Island; Private George Simons, of the National Army, who was assigned to Grass as an assistant; Sam Schwartz, government inspector; William Sam, government inspector; Abe Friedman, government inspector from the Material Central Division of the Quartermaster's Department; Abe Weiss, a foreman; Ike Merlis, known as "Ike the Cutter," foreman; Louis Levy, foreman; David Lebowitch, government inspector, and Jacob Rosenberg, foreman, who was also known as John Rosenberg.

They also are out for persons connected with the concern and government inspectors who are alleged to have entered the conspiracy to defraud the government. Leo Rosenwasser, president of the company, had not been found by the agents of the Department of Justice last night. Instructions were wired to Washington to apprehend Morris Rosenwasser, who was staying at the New Willard Hotel. Arrests in other parts of the country are pending.

Charged With Conspiracy

All those taken in custody were charged with conspiring to defraud the government in passing rejected shoes, leather jenkins for aviators, canvas leggings for soldiers and spiral puttees. The men taken in custody were arrested before United States Commissioner Reifschneider in the Brooklyn Federal Building last evening and held in bail.

Lieutenant Grass, Simons, Sam and Lebowitch were held in \$10,000 bail each, and in default of surety were sent to Raymond Street jail. The others were held in \$5,000 each, which was furnished by agents of the Rosenwasser concern. The raid, which resulted in the arrests, was made by fifteen agents of the Department of Justice, with an equal number of operatives of the American Protective League. They were driven to the plant, at Orchard Street and Jackson Avenue, by members of the Motor Corps of America. The factory was just discharging its 3,500 employees when the raiders arrived, at 5 o'clock. The men wanted were quickly located and placed under arrest. The raiding party then proceeded to the Federal Building and arrested. Other agents were sent to guard all outlets from the city, so that those not apprehended could not escape.

Evidence Not Disclosed

The nature of the charges against the accused was not disclosed last night, but it was said that there has been a repetition of the forging of government inspectors' stamps, the passing of defective material, and the fraudulent introduction of paper instead of leather into army shoes, similar to that discovered in former investigations. Additional evidence of fraud has been gathered, according to the Federal authorities, and more serious charges are pending. Mr. Brewer refused to estimate the amount of the frauds last night, except to point to the fact that the concern had contracts for approximately

German Press Gloomy Over Peace Failure

Newspapers Say Entente Seeks to Destroy the Central Powers

Empire Must Keep All Its Territory

Victory or Destruction Is Alternative Confronting People

COPENHAGEN, Sept. 19.—The German press generally, from the Socialist to the Conservative, regards the American answer to the Austrian peace note, taken in connection with the speech of Foreign Secretary Balfour, as final proof that the Allies, so the newspapers charge, seek to complete the destruction of the Central Powers and their peoples and the dismemberment of their territory.

The Socialist "Vorwärts," of Berlin, is bitter and pessimistic. It declares the American answer and the utterances of Secretary Balfour compel the conclusion that the Entente will not hear of a peace by agreement.

View of Balfour Speech

"Mr. Balfour's speech," says the "Vorwärts," "contains two points which a great part of the German people are ready to discuss, and two others which will evoke powerful opposition from every German. The first two points are Belgium and the Brest-Litovsk treaty. The other two concern the German colonies and Alsace-Lorraine."

"If Mr. Balfour wishes that these last two points should be fulfilled, which would be possible only through a complete military victory by the Entente, there would be a feeling left among the entire German people that they had been made the victims of a robbers' warfare."

The "Vorwärts" says that even if the Entente does not admit the justice of the German standpoint, its rejection of the Austrian invitation is nevertheless an "act of stupidity and brutality."

Negotiations Impossible

The "Lokal-Anzeiger's" comment is of an "I-told-you-so" nature. The newspaper says that President Wilson's answer makes it necessary to wait and see what the Entente nations will say. It declares it is evident from Mr. Balfour's speech that negotiations are impossible unless Germany is willing to accept in advance all the conditions laid down by the Allies. The newspaper adds:

"If the matter of giving our colonies back to us is a closed incident for England, then any peace talk also is purposeless as far as we are concerned."

The "Deutsche Tageszeitung," referring to the demands regarding the colonies and Alsace-Lorraine, declares: "What does this mean if not that the Entente intends to dismember and crush the German Empire? There is but one thing left for us—victory or destruction."

The Hamburg "Freidenkblatt" is incensed because, as it says, the United States refused even to consider the matter and took no time for reflection. "Like madmen," it says, "they howl their 'force to the utmost' to find other people exert themselves to find a way out of the slaughter of the world war."

Russian Policy an Obstacle

The "Tageblatt," commenting on Secretary Balfour's speech, says: "It is true that the German policy in the East has created an unnecessary obstacle to peace, but nevertheless the real hindrance to peace is the Entente."

The "Tageblatt" refers to Mr. Balfour's programme as indemnity for Belgium, without a trace of readiness to pay indemnity to the Germans, injured throughout the world by the Entente, the surrender by Germany of her colonies and the surrender of Alsace-Lorraine to France in connection with which Mr. Balfour even alludes to the surrender of other German territory.

"Mr. Balfour naturally is right," the paper continues, "in saying that in such circumstances the conversations proposed by Vienna would be labor lost. So long as the Entente's standpoint on these questions remains unchanged there is no possibility of bridging the chasm between the two sides."

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Hindenburg Tells Troops They Must Fight Until Allies Accept Hun Peace

AMSTERDAM, Sept. 19.—Field Marshal von Hindenburg has issued a proclamation to the German army in the field, according to the "Zeitung-am-Mittag," of Berlin, in which the German commander in chief alludes to the recent Austrian peace offer, saying that it does not involve an interruption in the war operations.

The field marshal adds that a readiness for peace is not in contradiction with the spirit with which Germany is waging the struggle. It is the army's duty, he said, to continue the struggle while waiting to see whether the enemy is sincere and ready for peace negotiations.

The text of the proclamation reads:

"The Austro-Hungarian government has proposed to all the belligerents a conference for a non-binding discussion of peace. War operations are not thereby interrupted. Readiness for a peace is not in contradiction to the spirit with which we are waging the struggle for the homeland."

"As early as December, 1916, the Kaiser, our supreme war lord, with his allies, offered peace to the enemy. The German government has often since then proclaimed its readiness for peace."

"The reply of the enemy was scorn and derision. The enemy governments incited their peoples and armies to continue the annihilating war against Germany. We have thus continued our defensive struggle."

"Our ally has now made a fresh proposal to hold a discussion. The fighting will not be interrupted. The army's task is to continue the struggle. In four victorious years of war the German army has energetically protected the homeland and proved to the enemy our invincibility. Only by this means do we help break the enemy's will to destruction."

"While continuing to fight, we have to wait to see whether the enemy is sincere and this time ready for peace negotiations or whether he will again reject peace with us, unless we are prepared to buy it on conditions which would destroy our people's future."

Germany Now Faces Ruin in Political Crisis

Peace, Franchise and Kultur Threaten Existence of Present Government

By H. W. Smith

(Special Cable to The Tribune)

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AMSTERDAM, Sept. 19.—While the Pan-Germans and "last-ditchers" continue to denounce critics of the government and those urging prompt action on the franchise reform in the upper house, "Vorwärts" announces that the National Liberals are likely to join the majority parties, saying:

"The National Liberals evidently feel that the balance in the decisions of the present government is inclining more and more to the Reichstag majority."

This and other signs indicate a sense of impending crisis. No one probably is satisfied with the government. Some think Admiral von Hintze, who was at Vienna lately, should have prevented the Austrian note at any cost, others that the government should have identified itself from the first with the Austrians and agreed to a common policy.

Government Lacks Courage

Every one is agreed that the government has not succeeded in maintaining unity of diplomatic front among its allies and the end must be put to the aimless policy of the government at home. The government has not the courage to face a deadlock on the franchise, and its foreign policy must reckon with the military and dynastic interests, so collaboration with its allies is most seriously affected.

Talking of Finland, "Vorwärts" says:

"All this business of king making has come upon the heads of the civil government like a stone from the roof, and a man has not yet been found to state the plain facts in the proper quarters."

The writer remarks that Germany is not in the position of Napoleon in 1809, when he forced his brother Louis on the Dutch, as he had Austria behind him and was at the summit of his fame.

"Germany is in a very different position," he says, "apart from the question of whether a people should have imposed on it a form of government and a ruler they do not want. The solution can only be found when Germany gives up the throne and the adventures in the East and agrees to submit to an assembly, as suggested by Austria, on all world questions arising during the war. Obstinacy in insistence on the Brest-Litovsk treaty makes action on the Austrian proposal impossible."

Hope for Early Peace

Meanwhile the "Berliner Tageblatt" says:

"The first offer of peace since the outbreak of the war, which we have

French Gain Mile As Battle Line Grows Longer

Germans in Desperate Assaults Strive to Recapture Lost Ground and British Guns Work Terrific Havoc as Gains Are Held Firmly

Yankees and Germans in Artillery Duels Before the Metz Defences

Allied Troops in Balkans Make Fresh Advance of 10 Miles, Driving Back Austro-Bulgarians on 25-Mile Stretch, and Taking Many Captives

September 20, 2:30 a. m.

The British and French withstood yesterday the brunt of terrific German counter blows against their new lines on both sides of the Somme. After hurling the foe back the Allied armies again drove forward in the centre and on both flanks of a twenty-four-mile front.

Enormous losses were inflicted on the enemy as he swept forward again and again during the night in desperate attempts to regain his smashed Hindenburg positions. Each time the advancing Germans were mown down by a withering Allied fire.

Ten Thousand Prisoners Taken

Ten thousand prisoners and sixty guns have been taken by the British alone in their drive, Field Marshal Haig announced last night.

On the left of the active line General Byng's army fought its way forward for new gains east of Gouzeaucourt. Gauche Wood, lost temporarily, was recaptured in a new thrust, which carried the British forward into the outskirts of Villers-Guislain. The village of Lempire was occupied in the advance.

In night fighting in the centre of the line the British swung eastward toward Bellicourt, pushing their lines forward northeast of Pontreuet toward the banks of the St. Quentin Canal.

The French below the Somme extended their attacks southward two miles, advancing more than a mile on the extreme right and reaching the outskirts of Benay. Contescourt and Castres were wrested from the enemy.

French Repel Counter Attacks

Mangin's Tenth Army northeast of Soissons crushed repeated German counter attacks against the French lines on the west reaches of the Chemin des Dames.

The Americans in the Moselle Valley pursued their patrol operations against the disconcerted enemy. Sharp artillery exchanges continued on the whole of the line before Metz which lies within range of Pershing's guns.

French, Greek and Serbian forces in Macedonia have driven forward ten miles on a twenty-five-mile front. The Bulgarians are in full flight northward in the Cerna Valley. The Allied armies in the Balkans have gained more than twenty miles since the launching of their new drive.

Costly Defeat Ends Foe's Effort To Retake Hindenburg Line Posts

By Arthur S. Draper

(Special Cable to The Tribune)

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LONDON, Sept. 19.—One of the greatest battles of recent months is being fought on the Hindenburg line between Cambrai and St. Quentin. The Anglo-French attack launched early yesterday morning, on a twenty-two mile front south of Gouzeaucourt, has been followed by a secondary attack in the same sector along a front of about five miles.

From the Arras-Cambrai road to Essegny-le-Grand, a distance of about thirty-five miles, the most violent hand-to-hand struggle was waged all Wednesday afternoon and through the night. While the Allied forces won a marked success against the enemy who was strongly entrenched, the Germans met bloody defeat in their efforts to throw back the British divisions holding the line north of Gouzeaucourt.

It is impossible to exaggerate the violence of the struggle which ranks high with such battles as those of Bullecourt and Lens in 1917. The Germans fought with great courage. They laid down a barrage so heavy that all communication with the British division was cut off for some hours.

Heavy German Losses

Haig, who is always conservative in his estimates of enemy losses, emphasized the severity of the German casualties. For a short time German shock troops found lodgement around Havrincourt, Trescault and Moeuvres, but the British reorganized quickly and counter attacked with great impetuosity, winning and reestablishing their line.

Some of the British guard divisions played a brilliant part in these counter thrusts.

While this terrific struggle was being waged north of Gouzeaucourt the British and French to the south were continuing the operation which was begun with very limited objectives and developed into a large success.

The fine fighting of the Dominion troops did not exceed that of the home divisions, which encountered the stiffest kind of opposition. North of Pontreuet English troops smashed their way right up to the edge of the Hindenburg positions.

At nearly every point the Germans counter attacked frequently, but were unable to hold their initial gains. Once they recovered Gauche Wood, south-east of Gouzeaucourt, but the British drove them out in the evening.

Australians Smash Ahead

Though the weather has been far from favorable, the night failed to bring a lull in the fighting. Just before midnight the Australians resumed operations which brought them against

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